

CERTIFICATION OF ENROLLMENT

SECOND ENGROSSED SUBSTITUTE SENATE BILL 5905

Chapter 255, Laws of 2008

60th Legislature
2008 Regular Session

CERTIFICATES OF CAPITAL AUTHORIZATION

EFFECTIVE DATE: 06/12/08

Passed by the Senate March 13, 2008
YEAS 49 NAYS 0

BRAD OWEN

President of the Senate

Passed by the House March 11, 2008
YEAS 96 NAYS 0

FRANK CHOPP

Speaker of the House of Representatives

CERTIFICATE

I, Thomas Hoemann, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SECOND ENGROSSED SUBSTITUTE SENATE BILL 5905** as passed by the Senate and the House of Representatives on the dates hereon set forth.

THOMAS HOEMANN

Secretary

Approved March 31, 2008, 11:11 a.m.

FILED

April 1, 2008

CHRISTINE GREGOIRE

Governor of the State of Washington

**Secretary of State
State of Washington**

SECOND ENGROSSED SUBSTITUTE SENATE BILL 5905

AS AMENDED BY THE HOUSE

Passed Legislature - 2008 Regular Session

State of Washington 60th Legislature 2008 Regular Session

By Senate Committee on Ways & Means (originally sponsored by
Senators Franklin, Pflug, Keiser, Tom, Zarelli, Marr and Carrell)

READ FIRST TIME 03/05/07.

1 AN ACT Relating to certificate of capital authorization; and
2 amending RCW 74.46.803 and 74.46.807.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 74.46.803 and 2001 1st sp.s. c 8 s 16 are each amended
5 to read as follows:

6 (1) The department shall establish rules for issuing a certificate
7 of capital authorization. (~~Applications for a certificate of capital~~
8 ~~authorization shall be submitted and approved on a biennial basis.~~)
9 The rules shall address the following subjects, among others:

10 (a) The period of time during which applications for certificates
11 of capital authorization will be accepted;

12 (b) The period of time for which a certificate of capital
13 authorization will be valid; and

14 (c) The prioritization of applications for certificates of capital
15 authorization, consistent with the principles set out in this section.

16 (2) The rules for a certificate of capital authorization shall be
17 consistent with the following principles:

18 (~~(1) The certificate of capital authorization shall be approved on~~
19 ~~a first come, first served basis.~~

1 ~~(2) Those projects that do not receive approval in one~~
2 ~~authorization period shall have priority the following biennium should~~
3 ~~the project be resubmitted.)~~)

4 (a) A certificate of capital authorization is only required for
5 capital expenditures exceeding the expenditure minimum as defined in
6 RCW 70.38.025.

7 (b) Certificate of capital authorization applications must be filed
8 with the department by the end of the previous calendar year to be
9 considered for priority assignment the following state fiscal year
10 beginning July 1. For example, a facility requesting a certificate of
11 capital authorization for state fiscal year July 1, 2009, through June
12 30, 2010, must file a request for capital authorization no later than
13 December 31, 2008. Within ninety days of receipt of an application,
14 the department shall either reject the application as unacceptable or
15 act upon it.

16 (c) In processing and approving certificates of capital
17 authorization filed with the department in accordance with (b) of this
18 subsection, the department shall give priority approval in the
19 following order:

20 (i) First priority shall be given to applications for renovation or
21 replacement on existing facilities that incorporate innovative building
22 designs that create more home-like settings. Of these applications,
23 preference shall be given to the greatest length of time since the last
24 major renovation or construction.

25 (ii) Second priority shall be given to renovations of existing
26 facilities with the greatest length of time since their last major
27 renovation or construction.

28 (iii) Third priority shall be given to replacements of existing
29 facilities with the greatest length of time since their last major
30 renovation or construction.

31 (iv) Last priority shall be given to new facilities and shall be
32 processed on a first-come, first-served basis.

33 (d) Within the priorities established by this section, applications
34 for certificates of capital authorization that do not receive approval
35 in one state fiscal year because that year's authorization limit has
36 been reached shall have priority the following fiscal year if the
37 applications are resubmitted.

1 (3) The department shall have the authority to give first priority
2 for a project that is necessitated by an emergency situation even if
3 the project is not submitted in a timely fashion. (~~The department~~
4 ~~shall establish rules for determining what constitutes an emergency.~~)
5 Projects shall be considered on an emergency basis if the construction
6 or renovation must be completed as soon as possible to:

7 (a) Retain a facility's license or certification;

8 (b) Protect the health or safety of the facility's residents; or

9 (c) Avoid closure.

10 (4) The department shall establish deadlines for progress and the
11 department shall have the authority to withdraw the certificate of
12 capital authorization where the holder of the certificate has not
13 complied with those deadlines in a good faith manner.

14 **Sec. 2.** RCW 74.46.807 and 2001 1st sp.s. c 8 s 15 are each amended
15 to read as follows:

16 The total capital authorization available for any (~~biennial~~
17 ~~period~~) state fiscal year shall be specified in the biennial
18 appropriations act and shall be calculated on an annual basis. (~~When~~
19 ~~setting the capital authorization level, the legislature shall consider~~
20 ~~both the need for, and the cost of, new and replacement beds.~~)

Passed by the Senate March 13, 2008.

Passed by the House March 11, 2008.

Approved by the Governor March 31, 2008.

Filed in Office of Secretary of State April 1, 2008.